



# Los Angeles Unified Local Control Accountability Plan and Budget





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# Summary





# How the Money Is Used



Amounts in millions





# How the Money is Used

- **K-12 General Education** – instructional and school support provided by principals, classroom teachers, aides, librarians, and other support personnel for over 600,000 k-12 students
- **Special Education** – specialized services for over 70,000 students with disabilities
- **Early Education** – 22,000 early education and pre-k students
- **Adult Education** – learning opportunities and employment training for over 70,000 students
- **Whole Child** – services provided by counselors, psychiatric social workers, nurses, school police, and campus aides
- **Food Services** – 150 million meals served annually
- **Maintenance and Facilities** – Maintenance of 75 million square feet of educational and direct support space, and 230 million square feet of grounds
- **Transportation** – Over 20,000 Special Education and magnet student transported daily
- **Central Administration** – policy, school and business support, legal counsel and compliance with federal and state programs, payroll



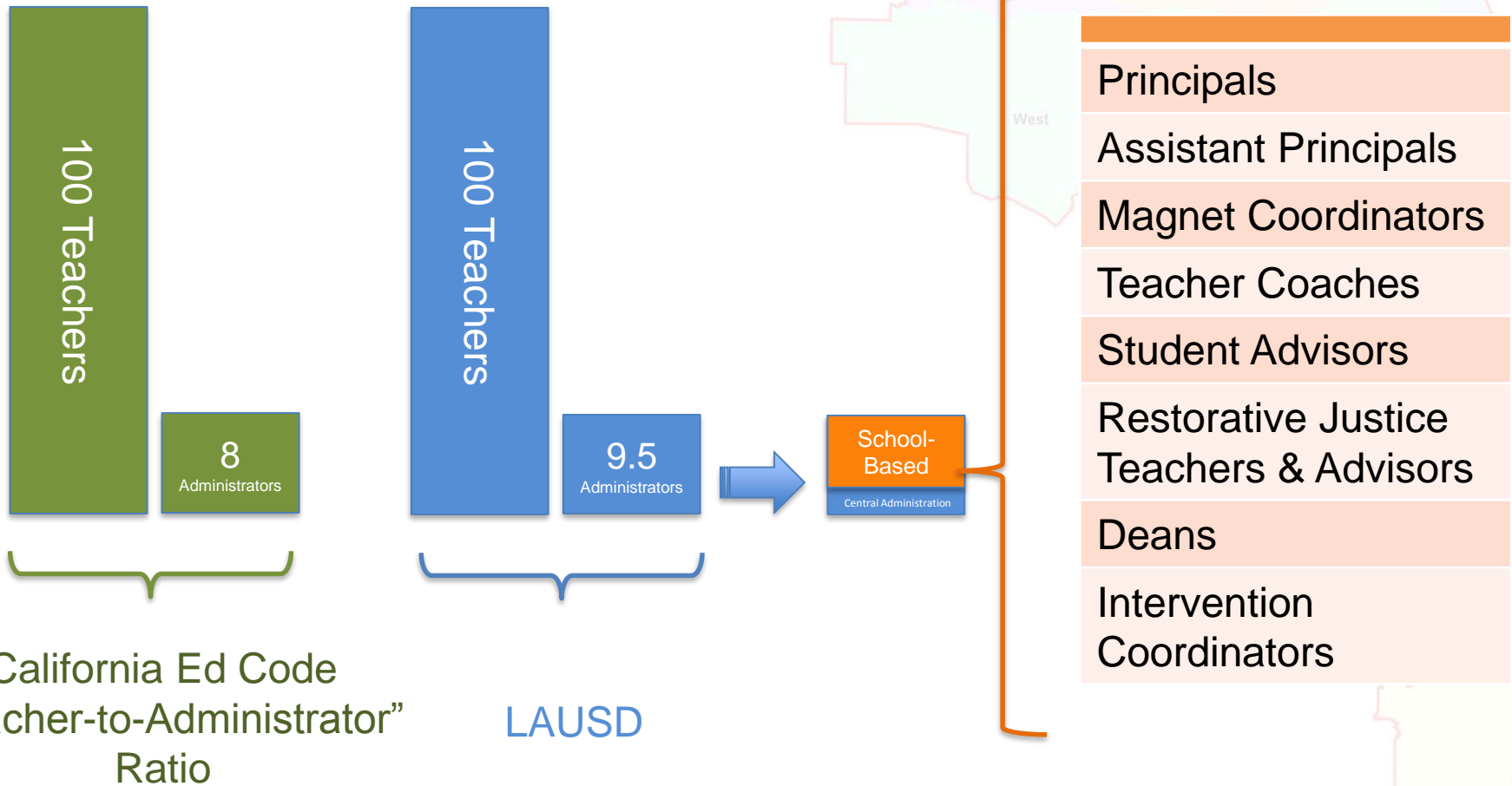
# Budget Actions

<u>Date</u>	<u>Budget Action</u>	<u>2019-20</u>	<u>3-Year</u>
January 2019	Health Care Cost Savings	\$50	\$150
March 2019	Reduce Administration Costs	43	129
	Efficiencies	14	100
June 2019	State Support of LA Unified Whole Child	35	105
	Cost Reduction from 2018-19 Budget	62	62
	Special Education Reallocation	35	105
	<b>Total</b>	<b>\$239</b>	<b>\$651</b>

Amounts in millions



# Administrator Ratio





# Continued Budget Actions

- **State Funding**
  - Special Education
  - 2020 Initiatives
- **Evaluation of Real Estate**
  - Education Use
  - Affordable Housing and Support for Homeless
  - General Fund Revenue
- **Efficiencies and Cost Control**





# Recurring Budget Deficit

- LA Unified is operating at an annual deficit growing to approximately \$500 million. The District is spending more than it receives in funding from the State and Federal Government
- LA Unified is using savings to reduce the deficit in the 2019-22 time period and those savings will be depleted by 2022
- The 2019-22 forecast assumes no wage increases beyond current contractual commitments and the contribution dollars for health care benefits remain at current levels per contract which expires in December 2020



# Recurring Budget Deficit

	<u><b>2019-20</b></u>	<u><b>2020-21</b></u>	<u><b>2021-22</b></u>
Deficit	(\$475.7)	(519.1)	(567.4)

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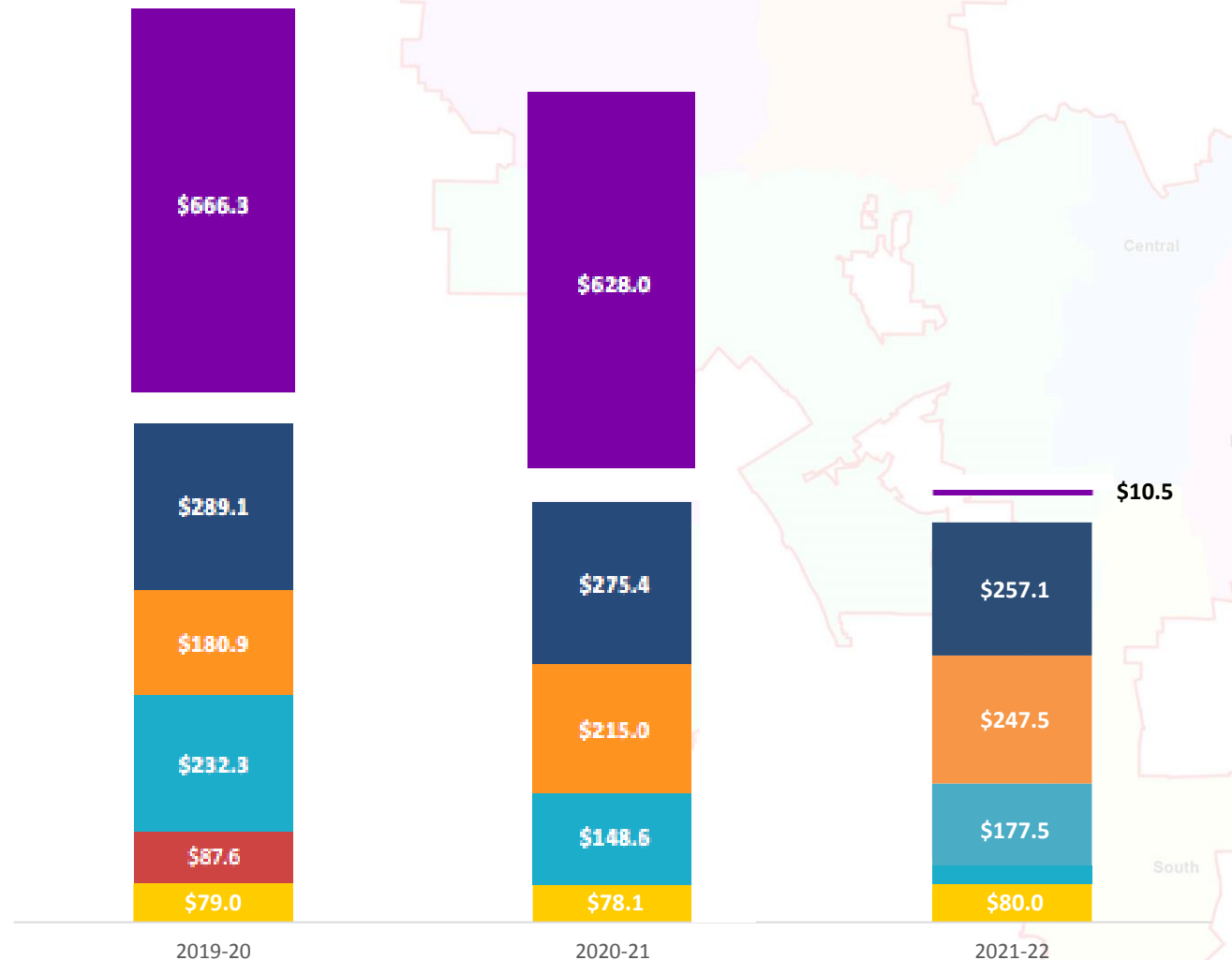
	<u><b>2019-20</b></u>	<u><b>2020-21</b></u>	<u><b>2021-22</b></u>
Savings	\$666.3	628.0*	10.5

\*using one-time funds and set-asides



# Balances and Reserves

- Unassigned Reserves
- School Funds for Designated Programs
- Districtwide Projects
- Highest Need Students
- Salary Increases
- Required Reserve





# Budget Trends

- Education continues to benefit from the 10-year economic expansion
- Health care costs continue to rise
- The State requires increased employer contributions to employee pensions
- Enrollment continues to decline



# Local Control & Accountability Plan Update

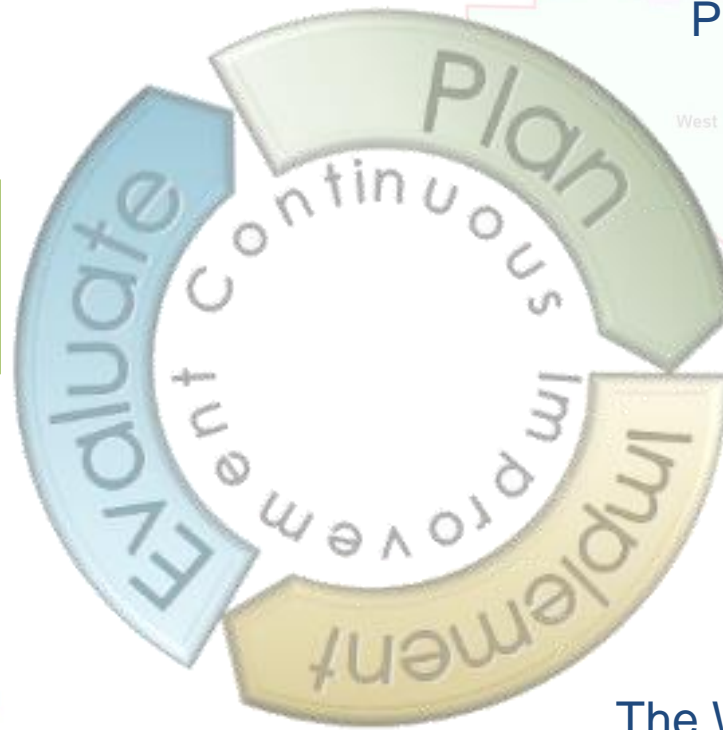




# LCAP

## Continuous Improvement Cycle

LA Unified School  
Performance  
Framework



Local Control Accountability  
Plan (LCAP)

Student Equity  
Needs Index

The Work Ahead



# LCAP Parent and Community Engagement

Northeast

## Consultations

- 41 Local District LCAP Study Sessions
- 7 Parent Advisory Committee meetings
- 4 District English Learner Advisory Committee meetings
- 2 LCAP community organization meetings
- 150+ focus groups during fall community engagement

## Feedback

- Continue focus on college and career readiness
- Improve professional development for staff
- Increase articulation from early education through high school
- Ensure parent and community engagement
- Continue equity investments to improve student outcomes



# LCAP Goals and 2019-20 Highlights

## GOAL #1



**100%  
Graduation**

## GOAL #2



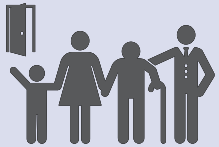
**Proficiency  
for All**

## GOAL #3



**100%  
Attendance**

## GOAL #4



**Parent, Student  
& Community  
Engagement**

## GOAL #5



**Ensure  
School Safety**

## GOAL #6



**Provide  
Basic Services**

- Increased investments in school staffing district-wide
- Increased school-site autonomy through Student Equity Needs Index
- Budget flexibility for staffing at Local District level



# Budget Update



# Supporting Local Schools in 2019-20

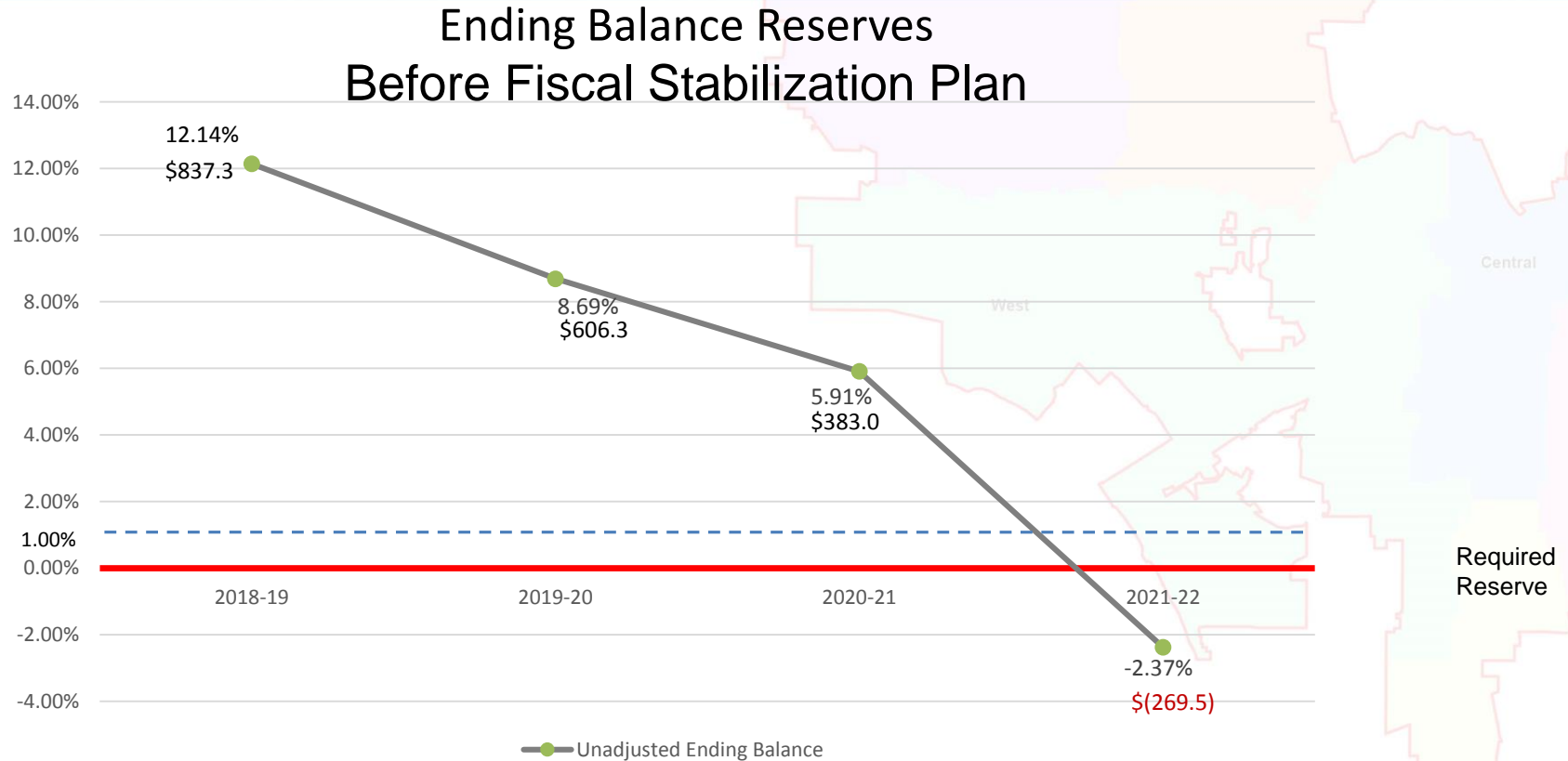
2<sup>nd</sup> Interim 2018-19 to Budget 2019-20

Action	Amount
2018-19 savings & adjustment of ongoing accounts	\$62
Legal settlement	20
Budget alignment with LCFF criteria (assignments)	68
Adjust special education costs	35
CalSTRS rate change (2019-20 year only)	12
Release funds to support general instruction (2019-20) (assignments)	36
Realign costs	32
Fund 3-hour elementary library aides	(7)
State “cost of living adjustment” (COLA) (2019-20 year only)	(12)
Invest in full-time principals for early education centers	(3)
State-required employee conversion to classified service - AB 2160	(15)
Subtotal	\$228





# Ending Balance Results in Shortfall



	2019-20	2020-21	2021-22
Beginning Balance	\$837	\$606	\$383
Ending Balance	\$606	\$383	\$(269)

LAUSD refers to Balance as Undesignated Ending Balance (In millions)



# Securing Additional Funds to Support Ending Reserve

## (Fiscal Stabilization Plan)

Source	Savings 2019-20 through 2021-22
State Waiver of Teacher-Administrator Ratio	\$105
Health Care Agreement Savings	\$175
Total Additional Funds	\$280

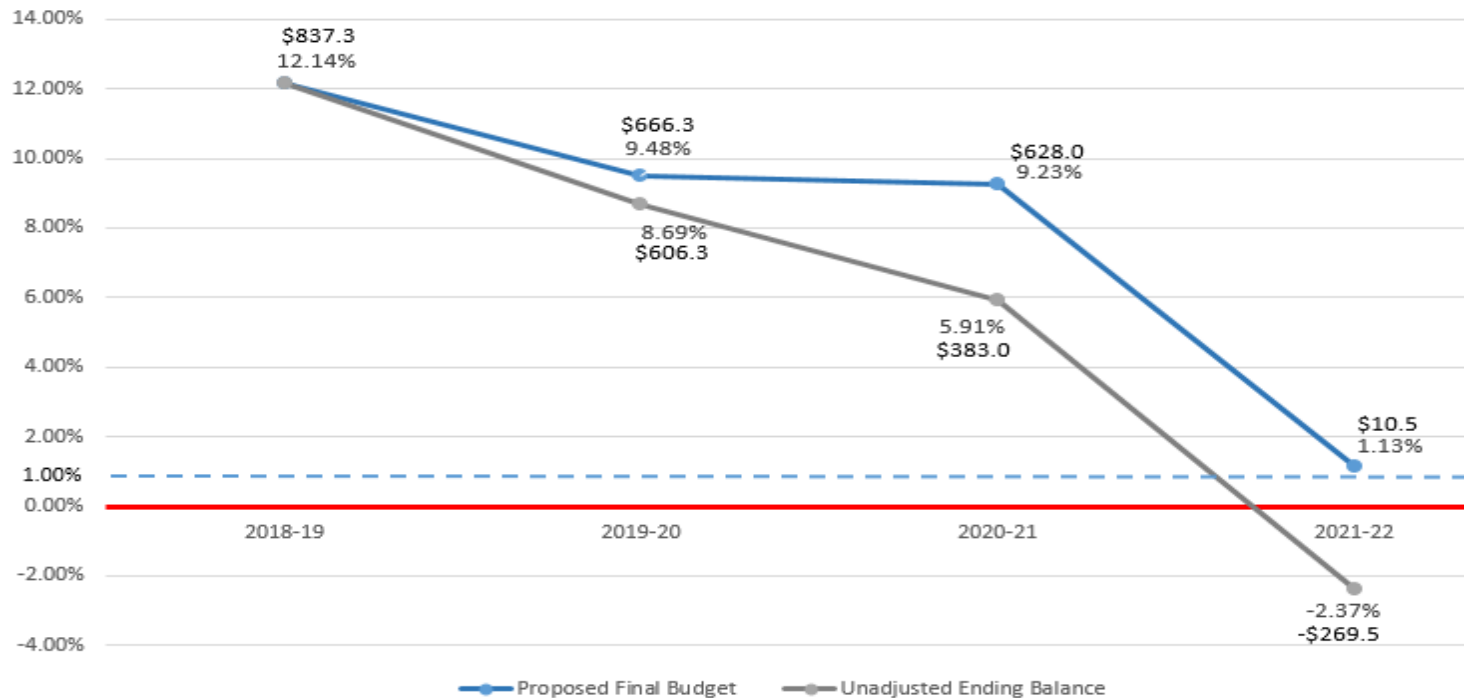
In millions



# Reserve Requirement Met With Additional Funds Secured

Northwest

Ending Balance Reserves  
with Fiscal Stabilization Plan



	2019-20	2020-21	2021-22
Before Additional Funds	\$837	\$383	(\$269)
After Additional Funds	\$666	\$628	\$10

LAUSD Refers to Reserve as Undesignated Ending Balance (In millions)